

**Exhibit B**

**FY20 HTA Budget**

**EXHIBIT 1:** PUERTO RICO HIGHWAYS AND  
TRANSPORTATION AUTHORITY'S  
FISCAL YEAR 2020 CERTIFIED BUDGET

## EXHIBIT 1

### PUERTO RICO HIGHWAYS AND TRANSPORTATION AUTHORITY'S BUDGET

In \$ Thousands	FY20 Budget
Toll Revenue*	\$145,762
Transit Revenue	6,761
Toll Fines	13,067
Other Income	11,612
<b>Total Own Revenues</b>	<b>177,203</b>
Gasoline Tax	-
Diesel Tax	-
Petroleum Products Tax	-
Cigarettes Taxes	-
Motor Vehicle License Fees	-
Act 30 - Licenses Fees Transferred to Act	-
<b>Total Revenues Retained by Central Government</b>	<b>-</b>
Commonwealth Funds Earmarked for Capital Expenditures	193,639
<i>Current year</i>	67,334
<i>Obligated funds carried over – Abriendo Caminos 1</i>	80,000
<i>Obligated funds carried over - Others</i>	46,305
Obligated funds carried over – Abriendo Caminos 2	34,500
<b>Total Funding from Commonwealth</b>	<b>228,139</b>
Federal Highway Administration ("FHWA") Funds	251,480
Federal Emergency Revenues	80,594
Transit Funds	29,464
Hurricane Loss Assessment - Insurance and FEMA Revenue	21,111
<b>Total Federal and Other Funding</b>	<b>382,649</b>
<b>Subtotal Consolidated Revenues</b>	<b>\$787,991</b>
Total Revenues Retained by Central Government	-
<b>Total Consolidated Revenues</b>	<b>\$787,991</b>

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\* Line is further itemized below

**EXHIBIT 1 (cont'd)**

**PUERTO RICO HIGHWAYS AND TRANSPORTATION AUTHORITY'S BUDGET**

<b>In \$ Thousands</b>	<b>FY20 Budget</b>
Right of Way ("ROW")	\$3,300
Design	0
Construction Local	10,000
Transit Capital Improvement Program ("CIP")	11,464
Hurricane Loss Assessment	22,325
Federal Emergency Repair Program	80,594
Local Emergency Repair Program	820
Federal Construction Program*	251,480
Non-Federal Construction Program*	195,720
<b>Total Capital Expenditures</b>	<b>575,703</b>
Payroll and Related*	62,901
PayGo Retirement Impact	18,940
ROW Payments	16,403
Title III Professional Fees	14,604
Non-Title III Professional Fees*	11,360
Other Expenses	16,386
Tren Urbano	67,198
Feeder Buses	9,070
Toll Highways Administration and Maintenance*	50,223
Operating Reserve	20,916
<b>Total Operating Expenses</b>	<b>288,000</b>
<b>Total Expenditures</b>	<b>\$863,704</b>
Current Year Deficit	75,713

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\* Line is further itemized below

**EXHIBIT 1 (cont'd)**

**TOLL REVENUE**

<b>In \$ Thousands</b>	<b>FY20 Budget</b>
PR-20	3,918
<i>Tolls before rate increase<sup>1</sup></i>	3,705
<i>Toll increases<sup>2</sup></i>	212
PR-52	92,327
<i>Tolls before rate increase</i>	87,328
<i>Toll increases</i>	4,999
PR-53	15,180
<i>Tolls before rate increase</i>	14,358
<i>Toll increases</i>	822
PR-66	34,337
<i>Tolls before rate increase</i>	34,337
<i>Toll increases</i>	0
<b>Baseline Toll Fare Revenue</b>	<b>145,762</b>

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<sup>1</sup> Calculated as toll fares effective end of FY19 multiplied by total volume per fare. Includes projected changes in volume driven both by macro assumptions as well as the impact of the Toll Optimization program.

<sup>2</sup> Calculated as difference between current and end of FY19 toll fares multiplied by total volume per fare

**EXHIBIT 1 (cont'd)**

**PAYROLL AND RELATED**

<b>In \$ Thousands</b>	<b>FY20 Budget</b>
Payroll - Construction	\$16,280
Payroll - Operations	9,304
Christmas bonus	-
VTP Buyouts	4,198
Early Exits / Early Retirement	9,920
PayGo Pensions	18,940
Non-PayGo Pensions	16,529
Health benefits	5,354
Other	1,315
<b>Total Payroll Expenses</b>	<b>\$81,841</b>

**NON-TITLE III PROFESSIONAL SERVICE FEES**

<b>In \$ Thousands</b>	<b>FY20 Budget</b>
Audit and Financial Services	2,167
Legal Services	674
Other Professional Services <sup>1</sup>	915
VTP Professional Services	860
VTP Outsourcing Costs	2,425
Implementation Soft Costs	3,285
Toll Optimization Professional Services	1,035
<b>Total Non-Title III Professional Services</b>	<b>11,360</b>

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<sup>1</sup> FOMB has permitted budget for "Other" professional services to exceed 10% of non-Title III professional fees to accommodate one-time costs related to the VTP program.

**EXHIBIT 1 (cont'd)**

**FEDERAL CONSTRUCTION PROGRAM**

<b>In \$ Thousands</b>	<b>FY20 Budget</b>
Hard Cost - Construction Projects	143,374
<i>Toll roads</i>	45,001
<i>Non-Toll roads</i>	98,374
Hard Cost - DTL	77,139
Hard Cost - Others	8,430
Soft Cost	22,537
<b>Total Federal Construction Program</b>	<b>251,480</b>

**NON-FEDERAL CONSTRUCTION PROGRAM**

<b>In \$ Thousands</b>	<b>FY20 Budget</b>
Hard Cost - Toll Optimization	11,364
Hard Cost - Others	34,171
Hard Cost - Abriendo Caminos 1	34,500
Hard Cost - Abriendo Caminos 2	52,250
Soft Cost - Design and Pre-Construction Mgmt	24,548
Soft Cost - CEI, SDC, Material Testing & Mgmt	15,457
Soft Cost - Others	23,430
<b>Total Non-Federal Construction Program</b>	<b>195,720</b>

## **ENFORCEMENT OF THE PUERTO RICO HIGHWAYS AND TRANSPORTATION AUTHORITY'S FY20 BUDGET**

**Section 1** - All expenditures authorized in any prior fiscal year are terminated and no disbursement of public funds may be covered by such expenditure authorizations, except: (1) expenditures to carry out permanent improvements that have been accounted for and kept on the books; (2) capital expenditures and equipment expenditures with procurement cycles that extend beyond the end of the fiscal year that have been accounted for and kept on the books; and (3) the portion of any other expenditures authorized in the HTA certified budget for fiscal year 2019 that have been encumbered on or before June 30 of such fiscal year, which shall be kept in the books for 60 days after the termination of that fiscal year and after those 60 days no amount shall be drawn against such portion for any reason. This restriction on expenditures authorized in any prior fiscal year shall not apply to: programs financed in whole or in part with federal funds; or (ii) orders by the United States district court with jurisdiction over all matters under Title III of PROMESA.

**Section 2** - On or before July 31, 2019, the Executive Director and the Finance Director of the Highway & Transportation Authority ("HTA") will provide to the Oversight Board a certification indicating the unused amounts of the fiscal year 2019 certified budget for items (1), (2), and (3) of Section 1.

**Section 3** - The expenditures approved in this budget may only be reprogrammed with the prior approval of the Oversight Board. For the avoidance of doubt, this prohibition includes any reprogramming of any amount, line item or expenditure provided in this budget.

**Section 4** - The Operating Reserve (which is comprised of the contingent Title III fees and litigation costs) in the amount of \$20,916,000 established in the certified budget may not be used without the prior approval of the Oversight Board.

**Section 5** - In conjunction with the reports that the Governor must submit to the Oversight Board no later than 15 days after the last day of each quarter of FY2020 pursuant to Section 203 of PROMESA, the Executive Director and the Finance Director of HTA will each certify to the Oversight Board: (1) that no expenditure authorized in any previous fiscal year (except for the expenditures covered by the exceptions in Section 1 above) have been used to cover any expense; and (2) the Executive Director of HTA will certify to the Oversight Board that no amount of the Operating Reserve has been obligated unless authorized in accordance with Section 4 above.

**Section 6** - The Executive Director and the Finance Director of HTA shall be responsible for not spending or encumbering during FY2020 any amount that exceeds the expenditures authorized herein for FY2020, including payroll and related costs. The Executive Director of HTA shall also



certify to the Oversight Board by September 30, 2019 that no amount was spent or encumbered that exceeded the expenditures in the certified budget for fiscal year 2019.